World Bank assistance to CIL

3806. SHRI AKHILESH DAS: Will the Minister of COAL be pleased to state:

(a) whether the World Bank has sanctioned $ 1 million loan to Coal India Limited (CIL) to help the implementation of its development programmes;

(b) if so, the terms and conditions in this regard; and

(c) the areas of development identified for investment by the World Bank relating to CIL?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) World Bank has approved a loan of U.S. $ 63 million for Environment and Social Mitigation Project.

(b) The total cost of the project is US $ 84 million out of which US $ 63 million is financed by IDA credit and US $ 21 million will be contributed by CIL. The important terms
and conditions of credit for ESMP are as follows:—

(i) The service charge is payable at the rate of three-fourths of one per cent (3/4 of 1 %) per annum on the principal amount of the credit withdrawn and outstanding from time to time.

(ii) There will be a commitment charge payable on the principal amount of the credit not withdrawn from time to time at a rate not exceeding one-half of one per. cent (1/2 of 1%) per annum.

(iii) Commitment charges and service charges shall be payable semi annually.

(vi) The principal amount of the credit shall be payable in semi-annual instalments after a moratorium of ten years in twenty five years.

(c) Areas identified for investment in ESMP
are: —

(i) Environmental Mitigation

(ii) Resettlement and Rehabilitation

(iii) Community Development.

Deregulation of the prices and distribution of select varieties of coal

3807. SHRI KRISHNA KUMAR BIRLA: Will the Minister of COAL be pleased to state:

(a) whether Government propose to deregulate the prices and distribution of select varieties of coal;

(b) if so, whether Government think that with the deregulation of coal prices, the inevitable rise in its prices will have direct and indirect bearing on the consumer and will lead to inflation; and

(c) if so, the manner in which Government propose to check it?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) Yes, Sir, The pricing and distribution of ceking coal and A,B,C & D Grades of non-coking coal, hard coal and soft coal have been deregualted by the Government.

(b) and (c) The impact of increase in coal prices of deregulated coal on various sectors as well as the overall Wholesale Price Index (WPI) is as under:—

Cement	Rs. 37.72 per tonne
Steel	Rs. 466.01 per tonne
WPI	0.411%

It is evident that the inflation arising out of price increase after deregulation of prices of selected varieties of coal is marginal.

Amendment in Mines and Minerals (Regulation and Development) Act of 1957

3808. SHRI PREM CHAND GUPTA: Will the Minister of COAL be pleased to state:

(a) whether it is a fact that Government plan
to amend the Mines and Minerals (Regulation and Development) Act, 1957; and

(b) if so, the benefits likely to accrue to the
country from this step?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) The Government propose to move a Bill for enactment of a new central legislation for regulation and development of coal and lignite for the following purposes:—